

INDUSTRY ADVISORY

Supplier-sponsored Autographings at Off-Sale Retail Premises

Recently enacted legislation (Assembly Bill 2184, Statutes 2012, effective January 1, 2013) created Business and Professions Code section 25502.2. This statute permits the appearance of a person employed or engaged by an "authorized licensee" at the premises of an off-sale retail licensee for the purposes of providing autographs to consumers under specified conditions. Unless further legislative action extends the statutory provisions, Section 25502.2 remains in effect only until January 1, 2016.

Section 25502.2 defines "authorized licensee" as a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, importer, brandy manufacturer, brandy importer, or wholesaler. Authorized licensees may employ or engage a person at a promotional event held at an off-sale retail premises for purposes of providing autographs to consumers under the following conditions:

- (1) A purchase from the off-sale retail licensee is not required.
- (2) A fee is not charged to attend the promotional event.
- (3) Autographing may only be provided on consumer advertising specialties given by the authorized licensee to a consumer or on any item provided by the consumer.
- (4) The promotional event does not exceed four hours in duration.
- (5) There are no more than two promotional events per calendar year involving the same authorized licensee at the same premises of an off-sale retail licensee.
- (6) The off-sale retail licensee may advertise the promotional event to be held at its licensed premises.

- (7) An authorized licensee may advertise in advance of the promotional event only in publications of the authorized licensee, subject to the following conditions:
 - (A) The advertising only lists the name and address of the off-sale retail licensee, the name of the alcoholic beverage product being featured at the promotional event, and the time, date and location of the off-sale retail licensed premises where the promotional event is being held.
 - (B) The listing of the off-sale retail licensee's name and address is the only reference to the off-sale retail licensee in the advertisement and is relatively inconspicuous in relation to the advertisement as a whole, and the advertisement does not contain any pictures or illustrations of the off-sale retail licensee's premises or laudatory references to the off-sale retail licensee.
- (8) A wholesaler does not directly or indirectly underwrite, share in, or contribute to any costs related to the promotional event, except that a beer and wine wholesaler that holds at least six distilled spirits wholesaler licenses may directly or indirectly underwrite, share in, or contribute to any costs related to a promotional event for which the wholesaler employs or engages the person providing autographs to consumers at the promotional event.
- (9) The authorized licensee notifies the department in writing of the promotional event at least 30 days in advance of the promotional event. Written notification must be sent to the Headquarters Trade Enforcement Unit and include the following:
 - (a) Name, address, and license number of the "authorized licensee" sponsoring the event.
 - (b) Date, time and location of the event. "Location" includes the street address and city and "time" includes the beginning and ending times of the event.
 - (c) Name and license number of the off-sale licensee where event will be held.
 - (d) Number of autographing events sponsored by the authorized licensee at this off-sale retail licensed premises during the current calendar year.
- (10) The authorized licensee maintains records necessary to establish its compliance with the statute.